

# **EXHIBIT 27**

Letter dated January 10, 1928 to Cole L. Harwood  
from John F. Truesdel, Superintendent of Irrigation

Copies to The Com.  
and Mr. Ward

721 Taft Building,  
Los Angeles, Calif.,  
January 10, 1928

Cole L. Harwood, Esq.,  
Special Assistant to  
the Attorney General,  
Reno, Nevada

Walker River Suit

My dear Mr. Harwood:

As stated by the letter from my office of December 7th, I was en route to Washington when your letter of the 5th came; also, I was in Washington when your subsequent letter of the 10th arrived. I am glad to see that the case is set down for trial, word of which I received while in Washington.

Referring to your letter of the 10th, I think your action in writing to Mr. Kearney (as representing the defendants) that his proposition made November 17th to you, for settlement, would be wholly unacceptable, was the correct position to take.

As you know, I have always felt, since we went into the matter last May, and still feel, that a settlement on the basis that the Government suggested in May and again suggested in substance at the November meeting, would be a wise and proper settlement of the suit. It was in effect that the Government have a first right for direct diversion for 4,000 acres and a first right of storage for 30,000 acre-feet. I think such a settlement would give the Government

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a better water right, as a practical matter, than any it is likely to gain from the suit, although part of that right would be only practically available if the Government decided to construct a reservoir.

On the other hand, I feel, and I think all of us feel, that the defendant's proposition that the Government only have a first right for direct diversion for 2,000 acres, would be unacceptable, although it would be accompanied by the same first right of storage which we feel would be a valuable thing and which we would not get as a direct result of the suit. I think the Government made the best offer it could and ought to stand upon that. As in all law suits, of course, we may be disappointed in the outcome, but these are decisions which we have to make, and it seems to me this is a wise one.

I do not quite understand the defendants' motives in answering our last proposition - that of November 2d - in the way they did. They seemed at that time inclined to accept the Government's terms. I can not help thinking that they still feel that way - that is to say, that they would rather accept the terms suggested by the Government than let the case be tried, and that their offer made November 17th is in substance merely an attempt to get more favorable terms or to postpone acceptance of those offered by the Government as long as possible or while attempting to accomplish other purposes. It may be, perhaps, that they desire to try to find out, if they can, the

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temper of Congress on the subject of building a reservoir.

The above, of course, are merely speculations, and you are undoubtedly right in assuming that the only thing for the Government to do is to go ahead with the vigorous prosecution of the case. As the matter stands, we must assume that their refusal of the Government's proposition is final and that we shall have to try the case. I am gratified to know that it is set down as you have stated, and that your plans are for its trial at the time stated.

Sincerely yours,

(sd) John F. Truesdell

Superintendent of Irrigation

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